

Prescription Drug Benefit



- For the first time ever, America's seniors enrolled in the Medicare program have access to a prescription drug benefit.
- Seniors choose the benefit that best fits their needs. Either a standard benefit administered by the Medicare Program, or a benefit offered through a private provider. A benefit offered by a private provider must be equal in value to the standard benefit, which includes:
 - A monthly premium of about \$35
 - A deductible of \$250
 - Prescription drug coverage is 75% up to \$2250
- Protection from high out-of-pocket costs. When total spending reaches \$3600, copays are \$2 for generics and \$5 for brand-name drugs.
- Here is a sampling of what popular prescription drugs will cost under the new Medicare law (examples are for a 30 tablet prescription):

Lopressor: \$9.20 instead of \$45.99
Imdur: \$9.78 instead of \$48.89
Lipitor: \$21.73 instead of \$108.65
Fosamax: \$16.09 instead of \$80.45
Celebrex: \$17.26 instead of \$86.28

Prescription Drug Discount Card



- Immediate help is available to make prescription drugs more affordable through a prescription drug discount card.
- Seniors save 10-25% off the cost of most medicines through this card, which is approved by the Medicare Program.
- Seniors simply take the card to their local pharmacy and receive the discount.
- This card will be sent to seniors in the mail in June 2004, and is active until the Medicare prescription drug benefit goes into effect.



Source: SRC, HHS, CMS, White House

Additional Help for Low-Income Seniors

- Seniors who need the most help to pay for prescription drugs receive the most help under the new Medicare law.
- Low-income seniors receive immediate help through a \$600 subsidy that comes on their Medicare-endorsed prescription drug discount card.
- Once the prescription drug benefit takes effect in 2006, low-income seniors receive additional help to pay for premiums and copays.
- The poorest beneficiaries—those with incomes below 100 percent of poverty who are eligible for full benefits under Medicaid—will pay no premiums, no deductibles, and will pay cost-sharing of \$1 for a generic drug or \$3 for all other drugs.
- Seniors pay no premiums or deductibles if they are eligible for full benefits under Medicaid or have incomes below 135 percent of poverty. These seniors pay a nominal cost-sharing of \$2 for a generic drug and \$5 for a name-brand drug.
- Seniors have their premiums subsidized according to a sliding scale if they have incomes below 150 percent of poverty and assets less than \$10,000 per individual / \$20,000 per couple. These seniors also have a lower deductible and lower cost sharing.

Better Medicare

- Traditional Medicare is strengthened and improved to keep up with advancements in health care, including disease management and preventive care.
- Seniors can have a “Welcome to Medicare” physical, which includes service such as vaccinations, cancer screening, diabetes self-management, glaucoma screening, cardiovascular screening, and more.
- Preventive care is expanded under a better Medicare. Preventive care pays for a senior to stay healthy. For example, under the old system, Medicare would pay for the amputation of a diabetic’s limb, but not the medicine that would have prevented such drastic surgery.
- Better Medicare means that seniors have choices:
 - Seniors can choose to stay in traditional Medicare.
 - Seniors can choose to stay in traditional Medicare and choose a Medicare-sponsored prescription drug benefit.
 - Seniors can choose a Medicare-Advantage plan, which offers the same types of health care insurance available to Members of Congress and other federal employees.

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Medicare Facts for Seniors:



From U.S. Senator Rick Santorum

How The New Law Benefits You

“The President and Congress made a promise to America’s seniors to deliver a better Medicare and a prescription drug benefit.

I’m pleased to announce this promise has been met, and a bipartisan bill passed Congress and is now law.

Inside this brochure are facts about how this new Medicare law will benefit you.”

U.S. SENATOR RICK SANTORUM

